



## Wyoming Lender Alert

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Steven Despain, District Director

### Making a Difference for Small Business in Wyoming

#### Small Business Person of the Year 2007

##### Bill Neeb and David Currie, Teton Truss

The Wyoming District Office of the U.S. Small Business Administration (SBA) has named Bill Neeb/David Currie of Teton Truss, Small Business Person of the Year 2007. This award was presented to Mr. Bill Neeb and Mr. David Currie on May 17, 2007 at a noon luncheon held at the Flying Saddle Resort in Alpine, Wyoming. Steven Despain, District Director of the State SBA office presented this prestigious award. Bill and David were nominated by Mr. Jared Gleue, Community Banking President, Wells Fargo Bank.



This award is given to an individual who owns and operates or bears principal responsibility for operating a small business that demonstrates a substantiated history as an established business. Other evaluation criteria includes, growth in number of employees, increase in sales, innovative product or service, response to adversity and the contributions by the nominee to aid community oriented projects. The

President of the United States recognizes contributions of the small business community to the American economy and society by proclamation each year.

Bill and Dave attended Michigan State University in the mid 80's and met as fraternity brothers at Theta Chi. They became close friends and enjoyed bouncing ideas off one another. One of these ideas was the need for roofing trusses in the Star Valley area, so they began thinking of ways to start a small operation; thus, Teton Truss and Star Valley Lumber. The businesses support the local area as well as other areas of Western Wyoming, Idaho, Montana, and Utah. They employ 30 employees and use the latest technology for their truss construction and the lumber business.

#### U.S. Citizenship and Immigration Services

The U.S. Citizenship and Immigration Services (USCIS) (INS), has provided the Small Business Administration (SBA) with the following information:

1. The G-845, Document Verification Request, must be submitted with the following items.

a. The individual applicant's authorization to release the information:

- (1) To a specific financial institution;
- (2) With a statement that the need for verification is for

the purpose of obtaining an SBA loan; and

(3) With the applicant's "original" signature. **As a result, the G-845 and attached authorization to release must not be faxed.** Without the original signature on the applicant's written authorization to release, the G-845 will **not** be processed and will be returned.

b. The USCIS office in Los Angeles has provided a Release Form for the applicant to complete and sign. You may use this form for the applicant's consent of verification. USCIS has advised that it is optional. If the financial institution has already developed a form that has all of the elements that the SOP and Notice require, USCIS will accept it..

2. As the SBA is not submitting these requests, type the name of the submitting financial institution [CDC or 7(a) lender] in the "From" block on the top of the G-845 form.

3. The documentation must go to the location provided in the attachments. USCIS will provide us with any changes as they are made.

USCIS has advised that the location for the submitting financial institution to send the G-845 is based on the address of the submitting/processing financial institution. It is not based on the address of the individual or of the small business applicant. For example, if the individual and applicant are in Virginia and the

lender is processing the request in their central processing center in San Antonio, Texas, and the Texas location is submitting the verification request to USCIS, the request would be sent to the location identified for San Antonio, Texas.

4. The most current form must be used. Therefore it is important to check USCIS web page on a regular basis. A revised form should be coming out in March. The web site for USCIS is:

[www.uscis.gov/portal/site/uscis](http://www.uscis.gov/portal/site/uscis)

At the top of this site, you will see a button for "Immigration Forms." Click on this location then scroll down to G-845 for "Non-SAVE agencies."

If USCIS guidelines are not followed there is a risk that the request will not be processed and will be returned. This means that time will be lost as the request will have to be resubmitted correctly in order to be processed.

For more information, please contact Bob Auflick, (307) 261-6507 or [Robert.Auflick@sba.gov](mailto:Robert.Auflick@sba.gov).

## **PATRIOT EXPRESS**

### **Your Key To Business Success**

Support for service members who have served and sacrificed in defense of our freedoms is something that unites all Americans; and in that spirit, SBA has launched the Patriot Express Pilot Loan Initiative.

Patriot Express offers new and enhanced programs and services for veterans and members of the military community wanting to establish or expand a small business. The initiative is open to:

- Veterans;
- Service-disabled veterans;
- Active-duty service members participating in the military's Transition Assistance Program;
- Reservists and National Guard members;
- Current spouses of any of the above; and

- The widowed spouse of a service member or veteran who died during service or of a service connected disability.

The new Patriot Express loans are available up to \$500,000 through SBA's network of participating lenders. They feature our fastest turnaround time for loan approvals as well as SBA's lowest interest rates for business loans.

The interest rate may be fixed or variable and are negotiated by the lender and borrower. However, lenders may not charge more than 2.25 percent over Prime for loans of less than 7 years and 2.75 percent over Prime for loans greater than 7 years; lenders may charge 1 percent more for loans of \$50,000 or less and 2 percent more for loans of \$25,000 or less.

Lenders are not required to take collateral for loans up to \$25,000 and they may use their existing collateral policy for loans up to \$350,000. For loans greater than \$350,000, borrowers are required to pledge collateral to secure the loan.

Patriot Express loans can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business occupied real-estate purchases.

In addition to the new Patriot Express loan initiative, SBA and it's resource partners – SCORE, Counselors to America's Small Business; Small Business Development Centers, and Women's Business Centers – are available to provide assistance with:

- Writing a business plan;
- Financing options to start or grow your business;
- Managing or expanding your business;
- Selling goods and services to the government; or
- Preparing your business for your deployment.

SBA's Veterans Business Development Officers are available to help members of the military community access the full range of

SBA's programs and services. If you are a member of the military community and are interested in obtaining business assistance through the Patriot Express Initiative, contact Dave Denke, Wyoming's Veterans Business Development Officer, by phone at (307) 261-6523, or by email at:

[David.Denke@sba.gov](mailto:David.Denke@sba.gov)

## **The Dollars and Sense of Small Business Ownership**

Whether you are starting a business or expanding one, sufficient capital is essential. While poor management is most often cited as the reason businesses fail, inadequate financing is a close second.

### **Startup Costs**

Some businesses can be started on a shoestring budget. Others require considerable investment. It is important to know you will have enough money to launch your business.

A realistic startup budget should include those costs necessary to begin the business. Essential expenses are divided into fixed expenses (overhead) and variable expenses (related to producing sales). Fixed expenses include rent, utilities, administrative and insurance costs. Variable expenses include inventory, shipping and packaging, sales commissions and other costs of selling a product or service.

The most effective way to calculate your startup costs is to use a work-sheet that lists all the various categories of costs (both one-time and ongoing) you will need to estimate prior to starting your business. To help calculate your costs, click on:

[www.sba.gov/smallbusinessplanner/start/financestartup/SERV\\_SBPLANNER\\_MANAGE\\_STARTUP.html](http://www.sba.gov/smallbusinessplanner/start/financestartup/SERV_SBPLANNER_MANAGE_STARTUP.html)

### **Breakeven Analysis**

To calculate your breakeven point—the point at which sales revenue will pay the ongoing expenses—go to:

[www.sba.gov/smallbusinessplanner/start/financestartup/SERVBREAKVEN.html](http://www.sba.gov/smallbusinessplanner/start/financestartup/SERVBREAKVEN.html)

### **Financing Basics**

To get your business growing, you may need financing. The two types of financing are equity and debt financing. When looking for money, consider your company's debt-to-equity ratio—the relation between dollars you have borrowed and dollars you have invested in your business.

### **Equity Financing**

Most small or growing businesses use limited equity financing such as friends, relatives, employees, customers or industry colleagues for resources. However, the most common source of professional equity funding comes from venture capitalists. These institutional risk-takers may be groups of wealthy individuals, government-assisted sources or major financial institutions.

### **Debt Financing**

There are many sources for debt financing: banks, savings and loans, commercial finance companies and the SBA are the most common. State and local governments have developed programs in recent years to encourage the growth of small businesses in recognition of their positive effects on the economy. Family members, friends and former associates are all potential sources, especially when financing requirements are smaller.

Banks are the major sources of small business funding. They offer short-term, demand loans, seasonal lines of credit, and single-purpose loans for machinery and equipment. Banks generally are reluctant to offer long-term loans to small firms. The SBA guaranteed program encourages banks and non-bank lenders to make long-term loans to small firms by reducing their risk and leveraging the funds they have available.

### **Learning About Finances**

SBA's Small Business Training Network features free training courses, workshops and resources focusing on business finances. Access it at :

[www.sba.gov/services/training/index.html](http://www.sba.gov/services/training/index.html). SBA also has a network of partners across the country, which provides training, counseling and information on issues related to business financing. These partners include Small Business Development Centers, Women's Business Centers and SCORE. For more information about these resource partners and the services they offer go to: [http://www.sba.gov/wy/WY\\_COUNSELINGT.html](http://www.sba.gov/wy/WY_COUNSELINGT.html)

### **SBA Launches Free Online Course & Assessment**

The U.S. Small Business Administration recently introduced a new online training resource for budding entrepreneurs to provide the fundamentals of starting a small business. The *Small Business Primer Strategies for Success* online training is a free course designed to assist individuals who are thinking about starting a small business or who are in the early stages of running a business.

The *Small Business Primer* is a self-paced assessment tool that focuses on three key areas to help small business owners (1) determine their business readiness, (2) provide an overview of basic small business principles, and (3) introduce them to key SBA resources for small business counseling and training. The *Small Business Primer* is available through SBA's Small Business Training Network, a virtual campus of business courses, trainings, education resources, learning tools and information assistance at :

[www.sba.gov/services/training/index.html](http://www.sba.gov/services/training/index.html)

It is a unique training that features an interactive assessment tool to help evaluate readiness for starting a business. It also walks participants through the key steps of business start-up.

The business topics reviewed include business planning, legal aspects, financing and marketing.

In addition, the course provides links to more than 40 targeted resources and small business tools, such as a business plan template, and an automated balance sheet guide. The course also offers direct access to online counseling through SCORE, as well as to other SBA resource partners including the Small Business Development Centers, Women's Business Centers, and SBA district offices.

Participants that complete the online training have an opportunity to receive a Course Completion Certificate from the SBA. To evaluate your business readiness, go to [www.sba.gov](http://www.sba.gov) and click on "New Free Online Course."

The SBA's Small Business Training Network offers a range of online business training and counseling tools to assist entrepreneurs with business start-up, from developing marketing strategies to effective employee management. It also provides valuable information for existing small business owners.

The training network is an easy-to-use tool that provides 24-hour access to business courses via the Internet.

### **UPCOMING EVENTS**

**July 12** – Women's Roundtable  
Laramie

**July 17** – Women's Roundtable  
Cody

**July 19** – Women's Roundtable  
Powell

[www.sba.gov/wy](http://www.sba.gov/wy)